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April 22, 1999

OFFICEOF THE EXECUTIVE SECRETARY

Mr. K. David Waddell Executive Secretary Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

IN RE: North Central Telephone Cooperative, Inc.

<u>IntraLATA Dialing Parity Implementation Plan</u>

Dear Mr. Waddell:

T. G. PAPPAS TEL: (615) 742-6242

FAX: (615) 742-6293

99-00296

I am enclosing an original and thirteen (13) copies of the IntraLATA Toll Dialing Parity Implementation Plan of our client North Central Telephone Cooperative, Inc. This Plan is being filed as directed by the Federal Communication Commission's Order of March 23, 1999, in Docket No. 96-98. We are filing the Plan for approval by the Tennessee Regulatory Authority ("TRA").

Also enclosed please find original and thirteen copies of a Petition for Modification to be filed in this matter. We request that you call this to the attention of the Directors at your earliest convenience. Also enclosed is our check in the amount of \$25.00 made payable to the TRA for filing fee. If you have any questions, please do not hesitate to call me.

With kindest regards, I remain

1.006

T. G. Pappas

TGP/br#2016292

Enclosures

cc: Mr. Joe Werner

Richard Collier, Esq.
Mr. Johnny McClanahan
Thomas J. Moorman, Esq.

Kraskin, Lesse & Cosson, LLP

Mr. K. David Waddell April 22, 1999 Page 2

cc: Mr. Gary Andraza

Mr. Guy M. Hicks

Mr. Joe C. Roper

Mr. M. Michael Swatts

Mr. Scott Nichols

Mr. Michale McCaw

Ms. Kathy Pounds

Mr. Tony Key

NORTH CENTEAL TELEPHONE COOP., INC.

IntraLATA Toll Dialing Parity Implementation Plan

August 1, 1999

Implementation Date

NORTH CENTRAL TELEPHONE COOP., INC.

Lafayette, Tennessee

I. Purpose

North Central Telephone Cooperative, Inc. ("North Central") describes herein the process for implementing intraLATA toll dialing parity in the North Central exchanges located in the state of Tennessee. The intent of this Plan is to provide a proposal that, upon implementation, would provide customers the ability to select the participating telecommunications carrier of their choice for routing their intraLATA toll calls. North Central will associate with the LATA 470 for the purposes of providing toll dialing parity as it currently does for its provision of interLATA equal access.

II. IntraLATA Environment

North Central customers located in Tennessee can currently dial an access code to complete intraLATA toll calls to another carrier. After implementation of this IntraLATA Toll Dialing Parity Implementation Plan (the "Plan"), customers will be able to subscribe to the carrier of their choice for intraLATA as well as interlata service (two-PIC subscription capability). Customers will dial 1+ the area code and number to complete calls using their presubscribed carrier. If customers wish to complete a call using a carrier other than their subscribed carrier, they will need to dial the carrier=s access code (i.e., 101XXXX).

Each end office switch will be equipped with the capability of allowing each end user subscriber to select "no-PIC" as a valid intraLATA subscription selection. Customers selecting "no-PIC" as their subscribed carrier will not be able to make intraLATA tolls on a 1+ or 0+ dialed basis. Such customer will need to dial an access code each time he or she makes an intraLATA call.

In 1992, toll-free intraLATA county-wide calling was initiated for all Local Exchange Carrier=s via an order from the Tennessee Public Service Commission. BellSouth Telecommunications, Inc. ("BellSouth") currently maintains tax-code billing tables to identify "free-county-wide" intraLATA toll calls originated by North Central intraLATA toll customers and to ensure that billing does not occur on these calls. North Central will continue to process toll-free intraLATA county-wide calls in this matter for

toll customers after implementation of intraLATA toll dialing as long as technically feasible.

In 1996, an optional Metro-area calling plan ("MAC") was initiated by North Central for residents of Summer County to be able to call Davidson County for a fixed rate of \$9.95 per month. BellSouth maintains county territorial database files that are used to identify intraLATA toll calls originated by North Central customers in Summer County which terminate in Davidson County to ensure that billing does not occur on these calls. North Central will continue to process MAC calls in this matter for Summer County toll customers after implementation of intraLATA toll dialing as long as technically feasible.

III. Implementation Schedule

North Central will provide intraLATA toll dialing parity in Tennessee on August 1, 1999.

IV. Carrier Selection Procedures -

North Central will implement the full Two-PIC ("Primary Interexchange Carrier") carrier selection methodology. With the full two-PIC methodology, customers will be able to subscribe to one telecommunications carrier for interLATA toll calls and subscribe to the same or a different participating telecommunications carrier, for all intraLATA toll calls. Orders for changes will be accepted and processed beginning on the implementation date.

¹ Concurrently with the filling of this Plan, North Central is filing with The Tennessee Regulatory Authority ("TRA") a Petition for Modification ("Petition") of the time frames for implementing intraLATA toll dialing parity that were prescribed by the Federal Communications Commission ("FCC") as well as the FCC's "default" carrier rules. The August 1, 1999 date noted herein is based on the assumption that the TRA will approve North Central's Petition for the reasons stated therein.

North Central employees who communicate with the public, accept customer orders, and serve in customer service capacities will be trained to explain to customers the process for making PIC changes for intraLATA toll calls. Business Office personnel and the Customer Account Records system will be prepared to make changes in customer records based upon requests from customers or carriers and direct customers to their chosen intraLATA carriers. Processes will be in place to provide new customers with an opportunity to choose their intraLATA toll carrier from a list of available carriers.

Existing Customers

Currently, BellSouth is the only subscribed intraLATA toll provider for existing customers in North Central's local exchange cn1999, August 1. customers may subscribe telecommunications carrier offering intraLATA toll service in their exchange. Existing customers will remain with BellSouth until they affirmatively choose an intraLATA toll carrier. Customers may make this selection through their own initiative or as a result of the promotional marketing activities of participating intraLATA toll telecommunications carriers. Customers may communicate their selected carriers to North Central directly or through their selected carriers.

Subject to the proposed PIC Charge Waive Period discussed below, customers will be assessed a PIC change charge for changing their intraLATA carrier at a rate of \$5.00. When customers request a simultaneous change to the same carrier for their interstate and intrastate service, North Central will assess one PIC charge.

A charge will be established for unauthorized PIC changes submitted by carriers to North Central for end-user customers (slamming).

New Installation Customers

North Central customer contact representatives will be provided discussion guidelines that will provide a new customer with the following information:

- 1. Inform the customer that a choice of intraLATA toll providers is now available to him or her.
- 2. Offer to read the customer a list of available carriers in randomly generated order.
- 3. Advise the customer that various carriers provide intraLATA toll service.

Customers who do not make a positive choice for an intraLATA toll carrier will be notified that they will not be automatically defaulted to a carrier and will be required to dial an access code to place intraLATA toll calls until they make an affirmative choice for an intraLATA toll carrier.

PIC Charge Waive Period

Customers will be given a period of ninety (90) days within which to make one change of their preferred carrier at no cost to the customer. This waiver period will begin on August 1, 1999. The costs associated with this waiver will be recovered through the general cost recovery mechanism.

V. Customer Education/Notification

At the time of implementation, August 1, 1999, North Central will issue a press release announcing the availability of intraLATA 1+ subsbscription. This press release will announce the opportunity to choose a primary intraLATA carrier and explain the 90 day waiver period from August 1, 1999 through October 31, 1999.

North Central will notify all existing end users via a direct mailing and a bill message regarding intraLATA subscription implementation and explain their opportunity to select an intraLATA carrier. The wording of the customer notification includes an explanation of the PIC change charge waiver period and is shown as Exhibit A. Customer telephone directories will be updated as new editions are published to reflect the opportunity for customers to choose an intraLATA toll carrier. After implementation, all new customers will be advised of intraLATA availability and requested to make an intraLATA carrier selection.

VI. Carrier Notification

Current interexchange carriers will be notified of North Central intraLATA toll dialing parity implementation via Certified U.S. Mail 60 days prior to the Plan's implementation with a subsequent notification at the time of implementation. Carriers that currently participate in interlata toll will be assumed to be participants in the intraLATA toll market. Certified carriers who enter the market after implementation will be added to the list of participating carriers within 30 days of notifying North Central.

VII. Operator Services and Directory Assistance

Access to Operator Services and Directory Assistance will continue to be available through the customer's local exchange carrier or interLATA carrier. No industry standard exists for access to Operator Services and Directory Assistance unique to intraLATA services. For Operator Services, customers dial "0" to reach their local exchange operator and "00" to reach their interLATA operator. For Directory Assistance, customers dial "1-411" for accessing the local exchange Directory Assistance and dial "1-NPA-555-1212" for accessing their interLATA carrier's Directory Assistance.

VIII. Cost Recovery

In accordance with 47 C.F.R. section 51.215, adopted in the FCC's Second Report and Order and Memorandum Opinion and Order in CC Docket No. 96-98, cost recovery for the incremental cost of dialing parity; specific switch software, and necessary hardware and signaling system upgrades, and customer education costs that are specifically to implement dialing parity, will be implemented in a competitively neutral manner across all providers of telephone

toll service in the area served by North Central. Incremental costs will be recovered from all carriers through a rate element based upon originating intrastate switched access minutes of use ("MOUs") during the 4 year cost recovery period. Attached, as Exhibit B, is a detailed explanation of the Cost Recovery methodology. An annual true-up will be conducted and reported to the TRA.

IX. Statement of Compliance

North Central will comply with all rules of the FCC and the TRA.

Executed as of the 21° Day of April, 1999

F. Thomas Rowland

General Manager of NCTC 872 E. Hwy. 52 Bypass

P. O. Box 70

Lafayette, TN 37083 Phone: 615-666-2151

Exhibit A

BILL MESSAGE

"North Central implemented local toll 1+ subscription service on August 1, 1999. You are now able to choose a local toll provider. Your current carrier will continue to provide this service for you or you may select another carrier. You may select the same provider as your interstate long distance service provider or you may select a different provider for each service. Your first selection prior to October 31, 1999 will be free."

DIRECT MAILING

IMPORTANT NOTICE ABOUT LOCAL TOLL SERVICE

"As of August 1, 1999, you are able to choose your provider of "1+" local toll service. This change allows you to remain with your current carrier or select a different long distance carrier for local toll calls. Please refer to the information pages in the front of your North Central telephone directory under "Long Distance Service" for a description of toll calling areas.

If you would like to select a different carrier for your "1+" local toll service, you should contact that company. No action is necessary to keep current your provider for these local toll calls.

From August 1, 1999 until October 31, 1999 you will be able to change your local toll carrier one time without charge. There may be a charge for each subsequent change you make in local toll companies."

Exhibit B

TENNESSEE
METHODOLOGY FOR RECOVERY OF COSTS
ASSOCIATED WITH
IMPLEMENTATION OF INTRALATA SUBSCRIPTION

CALCULATION OF INITIAL EQUAL ACCESS RATE ELEMENT

Step 1: Identify the estimated total incremental costs directly attributable to the provisioning of IntraLATA Subscription.

\$ 63,652.00

Step 2: Identify estimated total Intrastate/IntraLATA minutes of use for the 4 year recovery period.

101,859,172

Step 3: Calculate a cost recovery rate by dividing amount in Step 1 by the Minutes of Use in Step 2.

S0,00063

ANNUAL TRUE-UP OF EQUAL ACCESS RATE ELEMENT

Repeat Steps 1 through 3 and calculate an updated access rate element by dividing amount in Step 1, adjusted by the previous year/years cost recovery.

BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

IN RE:)
REQUEST OF NORTH CENTRAL)
	,
TELEPHONE COOPERATIVE, INC.)
FOR A MODIFICATION OF THE)
REQUIREMENTS TO PROVIDE)
INTRALATA TOLL DIALING PARITY	j
EFFECTIVE AUGUST 1, 1999	í

Petition for Modification

North Central Telephone Cooperative, Inc. (the "Company"), by counsel and pursuant to Section 251(f)(2) of the Communications Act of 1934, as amended (the "Act")(47 U.S.C. § 251(f)(2)), hereby requests the Tennessee Regulatory Authority ("TRA") to grant to the Company a modification of certain of the requirements established by the Federal Communications Commission ("FCC")¹ with respect to the Company's obligations to provide intraLATA toll dialing parity.² By this Petition, the Company is only seeking a brief extension of time to implement by August 1, 1999, its plan to provide intraLATA toll dialing parity in

The requirements with respect to the offering of intraLATA toll dialing parity were established by the FCC in its Second Report and Order in CC Docket No. 96-98. See In the Matters of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, et. al, Second Report and Order and Memorandum Opinion and Order, CC Docket No. 96-98, 11 FCC Rcd 19392 (1996) ("Second Report and Order"). In light of the United States Supreme Court decision addressing, inter alia, aspects of the FCC's Second Report and Order, the FCC issued a revised schedule for implementing intraLATA toll dialing parity. See In the Matters of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, et. al, Order, CC Docket No. 96-98, FCC 99-54, released March 23, 1999 ("Dialing Parity Order"). As discussed herein, the modifications that are being requested arise from the decisions issued in both the Second Report and Order and the Dialing Parity Order.

The Company uses the term "intraLATA toll dialing parity" to refer to the use of software (generally referred to as "2-PIC" software) that permits customers, who wish, to select a separate, preferred toll provider for their intraLATA toll calls from that provider carrying the customer's interLATA toll calls. See 47 C.F.R. § 51.209(b); see also Second Report and Order, 11 FCC Rcd at 19419 (paras. 49-50).

order to accommodate its ongoing network upgrade and reconfiguration, as well as a modification of the FCC's failure to permit an intraLATA default carrier mechanism.

Specifically, the Company requests a modification of the FCC's requirement: (1) that implementation of the Company's intraLATA toll dialing parity plan must occur within 30 days of the TRA's approval; and (2) prohibiting the Company from allowing a "default" carrier. A grant of this Petition will permit the Company to proceed to offer intraLATA toll dialing parity no later than August 1, 1999. For the reasons stated herein, the public interest, convenience and necessity would be served by the TRA granting this request. Finally, the Company also requests that the TRA, consistent with 47 U.S.C. § 251(f)(2), suspend the Company's requirement to provide intraLATA toll dialing parity until the TRA acts upon this Petition.

I. Background

The Company is headquartered in Lafayette, Tennessee, and serves approximately 14,700 access lines in Tennessee.⁵ The Company is a telephone cooperative providing local exchange services to its owners/customers, and providing intrastate access services to interexchange

The Company's IntraLATA Toll Dialing Implementation Plan ("Plan"), filed concurrently herewith, is intended to comply with all applicable requirements of the FCC's rules except for the date upon which intraLATA toll dialing parity must be offered (see Dialing Parity Order at para. 7) and the FCC's requirements that customers not affirmatively selecting an intraLATA toll provider may not be "defaulted" to their existing intraLATA toll carrier. See 47 C.F.R. § 51.209(c); see also Second Report and Order, 11 FCC Rcd at 19415-19416 (para. 41). With respect to this latter requirement, the Company's proposed plan would allow existing customers that do not affirmatively select an intraLATA toll provider to be automatically assigned or "defaulted" to BellSouth Telecommunications, Inc., the current "1+" intraLATA toll provider.

Dialing Parity Order at para. 6, n. 22.

The Company also operates approximately 5,000 access lines in Kentucky. The Company's Kentucky operations are not part of this Petition.

carriers ("IXCs") in order for the Company's customers/owners to complete intrastate toll calls. In 1997, the Company began the planning process for the reconfiguration of its network into a Host/Remote complex with the capability to offer new services to its customers. These objectives justified the purchase of a Host Nortel DMS 100 (located in Lafayette, Tennessee) and to replace the Company's existing DMS 10 switches with smart Remotes. Company's ten (10) exchanges, the Company's Bethpage, Oak Grove, Red Boiling Springs, and Westmoreland exchanges still need to be converted to smart Remotes. The DMS 100 was received by the Company in January, 1999. The integration of the Remote offices into the DMS 100 (and retirement of the current DMS 10 switches) is anticipated to occur on June 28, 1999, assuming no delays are experienced in either: (1) the delivery of the remaining components of the Remote, or (2) the subsequent testing and other coordinating functions required to ensure that the cutover does not cause undue disruption in service to the users of the Company's network. The Company was aware of the FCC's requirement to provide intraLATA toll dialing parity and, accordingly, ensured that this functionality would be part of the switch software. However, due to the pendency of legal challenges to the requirement to offer intraLATA toll dialing parity, and the Company's planned replacement of the current switch, the Company chose not to expend the approximately \$30,000 and other related implementation expenses required to install the 2-PIC software into its existing DMS 10 switches. This decision was justified by management in light of the fact that the purchase of the software and the time and resources that would be required to implement it would be a waste of resources since the DMS 10 software would be useless once the new Host/Remote configuration was in service.

II. The TRA Possesses the Necessary Jurisdiction Pursuant to Section 251(f)(2) of the Act to Grant the Relief Sought

The Act provides for a series of increasing interconnection obligations between and among telecommunications carriers. After establishing an obligation of all telecommunications carriers to interconnect with each other, 47 U.S.C. § 251(a), the Act then establishes a set of interconnection obligation upon all Local Exchange Carriers ("LECs"), including the obligation to provide intraLATA toll dialing parity. See 47 U.S.C. § 251(b) and 47 U.S.C. § 251(b)(3). After establishing these Section 251(b) requirements, the Act then provides that a LEC "with fewer than 2 percent of the Nation's subscriber lines installed in the aggregate nationwide" may seek a suspension and modification of these Section 251(b) requirements by petitioning a State Commission. See generally 47 U.S.C. § 251(f)(2).6 Once a petition is filed, the State Commission must rule on such request within 180 days of its filing, and, moreover, "[p]ending such action, the State commission may suspend enforcement of the requirement or requirements to which the petition applies with respect to the petitioning carrier or carriers." 47 U.S.C. § 251(f)(2).

The State Commission must grant a petition for a suspension or modification to the extent that, and for such duration as, the State commission determines that such suspension or modification --

⁽A) is necessary--

⁽i) to avoid a significant adverse economic impact on users of telecommunications services generally;

⁽ii) to avoid imposing a requirement that is unduly economically burdensome; or

⁽iii) to avoid imposing a requirement that is technically infeasible; and

⁽B) is consistent with the public interest, convenience, and necessity.

<u>Id</u>. The TRA's authority with respect to reviewing issues related to "additional obligations of incumbent local exchange carriers" described in Section 251(c) of the Act (47 U.S.C. § 251(c)) is not at issue here. <u>See</u> 47 U.S.C. § 251(f)(1).

In adopting the requirement to provide intraLATA toll dialing parity, the FCC relied, in part, upon the authority granted under Section 251(b)(3) of the Act. Moreover, in making this finding, the FCC embraced the procedure noted above with respect to Section 251(f)(2) petitions. Specifically, the FCC found that "special implementation schedules" for smaller LECs, such as the Company, was unnecessary "because these LECs may petition their state commission, pursuant to Section 251(f)(2), for a suspension or modification of the application of the dialing parity requirements." Second Report and Order, 11 FCC Rcd at 19425 (para. 61) citing 47 U.S.C. § 251(f)(2). The Dialing Parity Order does not alter this conclusion. See also 47 C.F.R. § 51.403.

Accordingly, under extant FCC decisions interpreting the plain wording and procedures of the Act, the TRA is vested with the authority to grant the relief requested herein. For the reasons set forth below, the requested modification of the FCC's intraLATA toll dialing parity rules clearly meet the requirements of Section 251(f)(2) and should be granted.

III. Modification of the IntraLATA Toll Dialing Parity Schedule is Warranted

The Company submits that grant of its request to be permitted until August 1, 1999 to comply with the requirements to provide intraLATA toll dialing parity is appropriate and serves the public interest, convenience, and necessity. In satisfaction of the Act's criterion, the Company provides the following. First, the Company's requested modification is necessary to avoid imposing a requirement on the Company that is unduly economically burdensome and

Section 251(f)(2) requires that only one of the elements of Section 251(f)(2)(A) be met along with the requirement that such action is consistent with the public interest, convenience and necessity. Compare 47 U.S.C. §§ 251(f)(2)(A) and (B).

technically infeasible. See 47 U.S.C. § 251()(f)(2)(ii) and (iii).8 Although the Company may be able to deploy the specific software necessary for the provision of the 2-PIC functionality, the deployment of the software alone is not all that is required to offer intraLATA toll dialing parity. Rather, even with the software in place, diverting current resources increases the risk of degradation of other network services that the Company provides. This is particularly true where, as here, such efforts would alter the Company's ongoing commitment to its network reconfiguration and switch upgrades. Moreover, from a practical perspective, it is questionable whether accelerating intraLATA toll dialing parity would provide sufficient time for the Company to coordinate network provisioning issues with the affected IXCs (the proponents of intraLATA toll dialing parity), and the coordination and implementation of appropriate carrier access billing systems. This testing and coordination is necessary, in the Company's view, in order to ensure a seamless transition to the 2-PIC environment. Accordingly, the Company respectfully submits that it is technically infeasible for it to comply with the intraLATA toll dialing parity obligations prior to August 1, 1999, the date that its network reconfiguration and testing will be completed (assuming no manufacturer-related or testing delays occur). See 47 U.S.C. § 251(f)(2)(A)(iii).

Based on a recent report issued by the FCC's Common Carrier Bureau, there were approximately 158.7 million access lines presubscribed to IXCs in the United States. See Long Distance Market Share Fourth Quarter 1998, FCC Common Carrier Bureau, Industry Analysis Division, March 1999 at 4. The Company fully anticipates that this number has increased since December, 1996 (the time period used by the FCC in its report). 2% of these lines, however, is approximately 3,174,000. The Company currently operates approximately 19,700 access lines, approximately 14,700 of which are located in Tennessee and approximately 5,000 of which are located in Kentucky. The Company's total access line count clearly is below the 2% threshold established for companies to be eligible to seek relief pursuant to Section 251(f)(2).

Second, requiring the Company to order and install software on its existing obsolete switch facilities would be uneconomic and wasteful inasmuch as the Company is in the midst of a complete switch replacement. It would be unduly economically burdensome for the Company to alter the process it began in early 1997 regarding its planned new switch deployment. Moreover, the software required for the DMS 10 (and the costs associated therewith) would simply be abandoned by the Company once the cut over to the new DMS 100 is completed. Allowing the Company to continue its current course, however, will enable it to deploy its new switch in the most economical fashion, which, in turn, will benefit its subscribers. Accordingly, a grant of this Petition is required in order to "avoid imposing a requirement that is unduly economically burdensome." 47 U.S.C. § 251(f)(2)(A)(ii).

Third, to require an uneconomic and wasteful upgrade would result in "a significant adverse economic impact on users of telecommunications services generally." 47 U.S.C. § 251(f)(2)(A)(i). The expenditure of the unnecessary software would be borne by the Company's

Section 51.405(d) of the FCC's Rules, 47 C.F.R. § 51.405(d), which for purposes of this discussion is assumed to be in effect, provides that a LEC must offer evidence that the application of Section 251(b) or Section 251(c) of the Act would be likely to cause undue economic burden beyond the economic burden that is typically associated with efficient competitive entry. The Company submits that it would be unreasonable to assume that a competitive LEC would invest resources in upgrading facilities only to replace those same facilities within a short time frame. This is particularly true where, as here, a brief delay in providing a service would avoid the need to purchase the upgrade in the first place. Therefore, strict application of the dialing parity implementation schedule in this instance would cause the Company undue economic burden beyond that which is typically associated with efficient competitive entry. Accordingly, the Company has met the required burden of proof set forth in Section 51.405(d) of the FCC's Rules.

In addition, issues related to the level of recovery by the Company from the current provision of intraLATA access may arise. If such issues do arise, an undue economic burden may be imposed upon the Company, thereby affecting the August 1, 1999 implementation date. If necessary, the Company will report to the TRA regarding this issue.

customers/owners, who are, by definition, "users of telecommunications services." <u>Id</u>. It would be economically wasteful for the Company's customers, through the rates they are charged, to bear this additional expense in the absence of the Company's Plan being approved by the TRA.

The anticipated brief delay in the provision of intraLATA toll dialing parity within the Company's service area, therefore, is clearly of minor impact when compared to the costs to the Company in changing its plan network reconfiguration at this date. Accordingly, a grant of the modification requested will serve the public interest, convenience and necessity, 47 U.S.C. § 251(f)(2)(B), by allowing the Company to ensure the deployment of the software necessary to provide intraLATA toll dialing parity in its new switch in a reasonably efficient manner which, in turn, will benefit its subscribers.

Moreover, the public interest benefits associated with the modifying the FCC's 30 day post-approval implementation date, see Dialing Parity Order at para. 7, is further demonstrated by the amount of time the FCC will provide for public comment on the Company's Plan in the event the TRA does not act. In fact, the Plan's August 1, 1999 implementation date is earlier

than the date that the FCC would require for plans that are filed with the FCC and are unopposed.¹¹

For the reasons stated above, the Company respectfully submits that it has demonstrated compliance with the requirements of Section 251(f)(2) of the Act. Accordingly, the Company requests that the TRA grant it a modification of the FCC's requirement that the Company's Plan must be implemented within 30 days of the TRA's approval, thereby allowing the Company to implement its Plan on August 1, 1999.

IV. Modification of the IntraLATA Toll "Default" Carrier Provision is Warranted

Similarly, the Company requests that the TRA grant a modification of the FCC's requirement that the Company may not "default" existing customers to their current "1+" intraLATA toll provider. See 47 C.F.R. § 51.209(c). Modification of this requirement would "avoid a significant adverse economic impact on users of telecommunications services generally," 47 U.S.C. § 251(f)(2)(A)(i), by ensuring that the Company's affected customers/owners can, in fact, continue on an uninterrupted basis their current ability to make "1+" intraLATA toll calls, and to generate the economic benefits associated with such calls.

Specifically, the FCC indicated that LECs that have not had their intraLATA toll dialing parity plans acted upon by the State must file their plans with the FCC on June 22, 1999. See id. With a public notice period beginning on June 23, 1999, the FCC indicated that, unless otherwise notified, any unopposed plan would be approved on July 21, 1999. Implementation of such unopposed plans would be "no later than 30 days after the date on which the plan is approved," id., or August 21, 1999. The Company's proposed implementation date of August 1, 1999, therefore, is 20 days earlier than the FCC's schedule provides for, and would be even earlier than the date required if its Plan were, for some reason, opposed. See id.

The Company notes that this aspect of intraLATA toll dialing parity is subject to pending requests for reconsideration pending before the FCC. See Dialing Parity Order at para. 6, n.22. If the FCC revises its rules in a manner consistent with the Plan, the Company will notify the TRA of this fact.

The public interest, convenience and necessity would be furthered by this modification. See 47 U.S.C. § 251(f)(2)(B). By granting this modification, the Commission can minimize the confusion and inconvenience that will undoubtedly be experienced by the affected customers as they learn that, if they fail to make an affirmative selection, they now must dial more digits in order to make intraLATA toll calls. This confusion and inconvenience, however, can be avoided by the TRA granting this requested modification.

The Company respectfully submits that it has also demonstrated compliance with the requirements of Section 251(f)(2) of the Act with respect to the need for a modification of the FCC's failure to permit an intraLATA "default" carrier option. Accordingly, the Company requests that the TRA permit the Company to default existing customers to the current "1+" intraLATA toll provider until such time as that customer affirmatively selects its intraLATA toll provider.

V. Suspension of the Requirements to Offer IntraLATA Toll Dialing Parity Until the TRA Acts Upon this Petition is Warranted and will Serve the Public Interest

Finally, the Company submits that, in light of the facts and circumstances surrounding the FCC's intraLATA toll dialing parity implementation deadlines, the Company's previously planned network reconfiguration, the need for coordination activities with IXCs, the potential for unnecessary and wasteful expenditure of resources, and, most importantly, the customer confusion and inconvenience that may be experienced if a premature implementation of the Plan is required, the TRA should suspend the Company's obligation to provide intraLATA toll dialing parity until such time as the TRA acts upon the instant Petition. The authority of the TRA to provide this relief is clear -- "[p]ending such action, the State commission may suspend enforcement of the requirement or requirements to which the petition applies with respect to the

petitioning carrier or carriers." 47 U.S.C. § 251(f)(2). No carrier will be harmed by this action in that, as demonstrated herein, the request of the Company would result in implementing intraLATA toll dialing parity in a technically and economically feasible manner and, in any event, prior to the time that the FCC would require if the Company is required to file its Plan with the FCC and the Plan is unopposed. Thus, the TRA suspending the Company's obligations to provide intraLATA toll dialing parity would clearly serve the public interest.

VI. Conclusion

For the reasons stated herein, the Company respectfully submits that, pursuant to 47 U.S.C. § 251(f)(2), the Company has demonstrated the need for the modification of the FCC's requirements to provide intraLATA toll dialing parity requested herein. Moreover, the Company respectfully submits that the public interest would be served by the TRA suspending the Company's obligation to provide intraLATA toll dialing parity until such time as it acts upon this Petition. Accordingly, the Company respectfully requests the TRA, pursuant to its authority under 47 U.S.C. § 251(f)(2), to grant the modifications as requested herein in order that the Company's Plan for the provision of intraLATA toll dialing parity may be implemented as filed, and to enter an Order approving the Plan effective August 1, 1999.

Respectfully submitted,

North Central Telephone Cooperative, Inc.

By:

T.G. Pappas, #2703

BASS, BERRY & SIMS PLC 2700 First American Center

Nashville, Tennessee 37238

Tel. (615) 742-6242 Fax (615) 259-6469

Thomas J. Moorman Margaret D. Nyland KRASKIN, LESSE & COSSON, LLP 2120 L Street, N.W., Suite 520 Tel. (202) 296-8890 Fax (202) 296-9983 April 22, 1999

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and exact copy of the within and foregoing petition on behalf of Yorkville Telephone Cooperative, Inc. via United States Mail, first class postage prepaid, and properly addressed to the following:

AT&T Communications

Gary Andraza, Assistance Vice President Government Affairs 511 Union Street, Suite 700 Nashville, TN 37219 (615)242-2815

BellSouth Telecommunications, Inc.

Guy M. Hicks 333 Commerce Street, Suite 2101 Nashville, TN 37210-3300 (615)214-6301

Ben Lomand Communications, Inc.

Joe C. Roper, President 212 Hillsboro-Viola Rd. Hillsboro, TN 37342 (931)668-1010

Citizens Communications

J. Michael Swatts State Regulatory Director-South 300 Bland Street P. O. Box 770 Bluefield, WV 24701 (304)325-1216

Frontier Communications Services

Scott Nichols, Senior Manager Regulatory Affairs 1990 M. Street, N.W., Suite 500 Washington, D.C. 20036 (202)293-0593

IGC Telecom Services, Inc.

Michael McCaw 315 Deaderick Street, Suite 2150 Nashville, TN 37238 (615)251-4440

MCI Telecommunications Corporation

Kathy Pounds, Director Law and Public Policy 780 Johnson Ferry Road, Suite 700 Atlanta, GA 30342 (404)250-5500

Sprint Communications Company, L.P.

Tony Key, Director State Regulatory 3200 Cumberland Circle Atlanta, GA 30339 (404)649-5144

This day of April, 1999.

T. G. Pappas

CERTIFICATE OF SERVICE

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